FORM MR-AR (Revised 1/2006)

STATE OF UTAH DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

1594 West North Temple - Suite 1210 Box 145801 Salt Lake City, Utah 84114-5801 Telephone: (801) 538-5291 Fax: (801) 359-3940

ANNUAL REPORT OF MINING OPERATIONS

The informational requirements of this form are based on provisions of the Mined Land Reclamation Act, Title 40-8, Utah Code Annotated 1953, as amended, and the General Rules as promulgated under the Utah Minerals Regulatory Program. An operator conducting mining operations under a Notice of Intention must file an annual operations and progress report (FORM MR-AR) with the Division.

[.	Gene	General Information				
	1.	Report Time Period: From (mo./yr.) <u>1/1/2006</u> To (mo./yr.) <u>12/31/2006</u>				
	2.	DOGM File Number (Mine No): M410008				
	3.	Mine Name: <u>Jumbo-Jensen Quarry</u> (Continued legal description from Pg. 1)				
	4.	Mineral(s) Mined (or permitted to mine):Gypsum				
	5.	Type of mine: X Surface Mine or ☐ Underground Mine				
	6.	Legal Description (Location of Lands Affected): 1/4,1/4,1/4, Section14, Township22S, Range _1W				
		1/4,1/4,1/4, Section, Township, Range				
	7.	Name of Operator or Company: <u>United States Gypsum Company</u>				
	8.	Permanent Street Address: 125 South Franklin				
		City, State, Zip: Chicago, IL 60606				
		Phone: 435-896-2400 Fax: 435-896-2407 E-mail: ballen@usg.com				
	9.	Company Representative (or designated operator):				
		Name: Bruce Allen				
		Title: Plant Manager				
		Business Address: P.O. Box 570160				
		City, State, Zip: Sigurd, UT 84657				
		Phone: 435-896-2401 Fax: 435-896-2407 E-mail: ballen@usg.com Please check if any of the above information has changed since previous year.				
П.	Mining and Reclamation					
	1.	Was there any mine related activity during the past year? Yes X No □				
	2.	If no - what was the last year of activity?				

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DIV. OF OIL, GAS & MINING

3.	Report the gross amount of ore mined and waste moved, as well as the arrangement, positioning, or distribution of the material. 151,655 Tons				
4.	Briefly describe the type of work performed, during the past year.				
	Approximatelty 74,429 cubic yards of shale & clay were stripped				
	in order to expose the gypsum.				
5.	How much new or additional acreage was disturbed during the past year? 19 acres				
6.	How much acreage was reclaimed during the past year? <u>0 acres</u>				
7.	Briefly describe the reclamation work performed during the past year. This description should include methods employed, and an evaluation of the results. (Submit form MR-SITE for an application for full or partial bond/site release). In 2006 USG Sigurd Plant was in the process of revising the surety bond.				
	Upon request from UDOGM, aerial photography need to be conducted to				
	ensure the accuracy of the total disturbed acreage. The aerial photography was				
	completed in the third quarter of 2006.				
8.	What is the total disturbed acreage of entire project at years end? 180 acres				
9.	Briefly summarize any mining and/or reclamation plans for the upcoming year.				
	Reclaimation plan to be submitted based on revised arial photography.				
	The 180 acres listed in item #8 is an estimate not based on the aerial fly over.				
	Mining: Approximately 160,000 tons of gypsum will be mined resulting in an additional 6 to 10 acres being disturbed.				
10. The operator shall keep and maintain timely records relating to his performance Act, and shall make these records available to the Division upon request.					
NOTE: Section	n III., "Additional Information" applies only to large mining operations.				
III. <u>Additional</u>	<u>Information - R647-4-121.2</u>				
1.	Include an updated map depicting surface disturbance and reclamation performed during the year, prepared in accordance with Rule R647-4-105.				
IV. <u>Signature I</u> I herel	Requirement by certify that the foregoing is true and correct.				
	Name (Typed or Print): Bruce Allen				
	Title of Operator: Plant Manager				
	Signature of Operator:				
	Date: 1/25/2007				

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Mine Name: Jumbo-Jensen Quarry				
Mineral(s) Mined (or permitted to mine):Gypsum				
Type of mine: X Surface Mine or ☐ Underground Mine				
Legal Description (Location of Lands Affected): Continued on page 2				
NW 1/4, NE 1/4,1/4, Section 22 , Township 22S , Range 1W				
1/4,1/4,1/4, Section <u>32</u> , Township <u>22S</u> , Range <u>1W</u>				
1/4,1/4,1/4, Section <u>15</u> , Township <u>22S</u> , Range <u>1W</u>				
Name of Operator or Company: <u>United States Gypsum Company</u>				
Permanent Street Address: 125 South Franklin				
City, State, Zip: Chicago, IL 60606				
Phone: 435-896-2400 Fax: 435-896-2407 E-mail: ballen@usg.com				
Company Representative (or designated operator):				
Name: Bruce Allen				
Title: Plant Manager				
Business Address: P.O. Box 570160				
City, State, Zip: Sigurd, UT 84657				
Phone: 435-896-2401 Fax: 435-896-2407 E-mail: ballen@usg.com				
Please check if any of the above information has changed since previous year.				
Mining and Reclamation				
Was there any mine related activity during the past year? Yes X No \square				
If no - what was the last year of activity?				
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United States Gypsum Co	'y	
P.O. Box 570160		
Sigurd, UT 84657		
435-896-2400		
Fax: 435-896-2407		



Memo

To: Susan M. White; UDOGM Mine Program Coordinator

From: Clinton M. Hattaway

CC: Bruce Allen

Date: 2/5/2007

Re: Annual Report

Here is a copy of the Annual report with Bruce Allen, the plant managers, signature. Sorry for any inconvenience.

Clint Hattaway Quarry/Mill Manager United States Gypsum Company 81 North State Sigurd, UT 84657 Phone: 435-896-2410 Fax: 435-896-2458

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